

VZCZCXYZ0001
PP RUEHWEB

DE RUEHLJ #0196/01 1971459
ZNY CCCCC ZZH
P 161459Z JUL 09
FM AMEMBASSY LJUBLJANA
TO RUEHC/SECSTATE WASHDC PRIORITY 7380
INFO RUEHSS/OECD POSTS COLLECTIVE
RUCPDOC/DEPT OF COMMERCE WASHDC
RHEHNSC/NSC WASHDC
RUEAIIA/CIA WASHDC

C O N F I D E N T I A L LJUBLJANA 000196

SIPDIS

STATE FOR EEB/EPPD, EEB/IMA, EUR/CE; COMMERCE FOR KATHRYN
NICKERSON

E.O. 12958: DECL: 07/16/2019

TAGS: ECON OECD EFIN SI

SUBJECT: SLOVENIA WORKING TO ADDRESS FINNISH ALLEGATIONS IN
OECD WORKING GROUP ON BRIBERY

REF: 2008 LJUBLJANA 407

Classified By: CDA Brad Freden, Reasons 1.4 (b,d)

Summary

¶11. (C) After discussions with Slovenia's Minister of Justice and Chief Prosecutor-General about Finnish allegations circulated at the June OECD Working Group on Bribery, post expects Finland and Slovenia will clear up the misunderstandings that gave rise to the allegations in September - before the next meeting in October. Slovenia continues to take steps to address OECD Anti-Corruption and bribery concerns. End Summary.

¶12. (C) Slovenian Prosecutor General Barbara Brezigar and ADCM met on July 9 at Brezigar's request as she wished to refute allegations made in a Finnish note distributed to all OECD members at an OECD Working Group on Bribery on June 17, when the Slovenian delegation was not present. The allegations stem from a case of possible bribery and/or corruption during the sale of Finnish defense contractor Patria armored vehicles to Slovenia. She noted that on June 19, Slovene representatives discussed the allegations and that the U.S. had asked serious questions about the allegations, but the Finnish delegation was not present. Justice Minister Ales Zalar told ADCM on July 17 the fact that the Finnish and Slovenian delegations were not present at the same time meant that they did not have the chance to discuss the matter openly and to clarify the issues. The Working Group Secretariat had asked the Finnish delegation to submit a written text of its concerns.

¶13. (C) Brezigar was very upset about the allegations made about her and Slovenia and said she had sent a note of protest to Finnish Minister of Justice and Prime Minister. Although post has not seen the Finnish note, Brezigar explained that it alleged problems with Slovenian prosecutors, judges and legislation and included the claim that "the head of the Slovenian prosecution service has close ties with parties involved in the investigation." According to press reports, the Finnish reproached Slovenia for failure to cooperate with the investigation of suspected bribery, citing Slovenian delays in conducting the probe, e.g., taking eight months to conduct the first house searches, as well as contacts between the prosecutor general and people involved in the probe. She explained that in June 2008 Finland, Austria, and Slovenia had formed a joint investigatory team to look into the case. She noted that the competent authorities were different in Finland and Slovenia: the police in Finland and the prosecution service in Slovenia. She had assigned a senior prosecutor from the organized crime

group as Slovenia's representative on the team. Brezigar stressed that there was ongoing cooperation. She noted that the case was still in its early stages: people were in detention in Finland, which had lesser grounds for detention, but the Finnish police had not yet passed the case to the prosecutors and a criminal complaint had not yet been filed.

¶4. (C) Zalar said he received a letter from Finnish Minister of Justice Tuija Brax assuring him that the purpose of the June 17 note was not to jeopardize or harm Slovenia's accession process. Brax and Zalar had agreed to meet before the next Working Group session in October to clarify Slovenia's positions and/or to withdraw Finnish allegations. The OECD would facilitate this meeting, which would likely be in early September. According to Zalar, Brax had written that the Finnish allegations were submitted by representatives of the Finnish police, not the prosecutors or Ministry of Justice (the Ministry of Justice official had signed off on the note, but the police had prepared it). Zalar explained that the differences in procedure and authorities had resulted in misunderstandings. He gave several examples: different roles/authorities of police and prosecutors -- in Finland the police are totally autonomous, whereas in Slovenia the prosecutors instruct the police about the investigation; different rules of procedure -- Finland had the impression that Slovenia was leaking information, but in Slovenia anybody accused of a crime has the right to see the file and all of its documents. Zalar expressed confidence that the two sides would be able to clear up the misunderstandings and urged the U.S. not to attach too much significance to the Finnish note.

¶5. (SBU) Slovenia's 2006 contract with Patria worth 278

million euro hit the headlines three weeks before Slovenia's September 2008 national elections when Finnish broadcaster reported that Patria distributed approximately 21 million euro in bribes to Slovenian officials, including then PM Jansa. Jansa vehemently denied the allegations and has claimed that the scandal cost him the election. On July 16, Slovenian prosecutors filed a criminal case of slander against the Finnish journalist.

Comment

¶6. (C) We have no way of determining the veracity of the bribery charge against Jansa and his associates. Most people familiar with the business practices of the Slovenian Ministry of Defense under the Jansa government find the charges plausible, however, investigators have yet to uncover a smoking gun. The Finnish note does not address the underlying bribery charges, but rather charges about Slovenia's procedural investigation. The Slovenian government considers the charges based on misunderstandings and is making every effort to clear them up.

FREDEN